September 21, 2006

Kentucky Energy Watch

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A weekly update of energy prices and issues to help leaders assess energy trends throughout the year.

Media Excerpts: A snapshot of state and national energy issues*

National Renewable Energy Conference St. Louis, MO - Oct. 10-12, 2006

Bluegrass Energy & Green Living Expo Lexington, KY - Oct. 14-15, 2006

Residential Green Building Seminar

Lexington, KY - October 13, 2006

Building Commissioning Association

Indianapolis - Sept. 28, 2006

Energy Summit October 20, 2006

Jewish health center's environmental effort wins national honor. Whenever a door inside Jewish Hospital Medical Center South opens, the overhead lights automatically come on. If 30 minutes pass without movement, the lights turn off. All of the windows are tinted to keep sunlight from heating rooms. And all of the landscaping uses drought-tolerant plants to eliminate the need for a permanent irrigation system. Those design elements and others helped the center receive the Leadership in Energy and Environmental Design silver rating from the U.S. Green Building Council. ("Jewish health center's environmental effort wins national honor," Courier-Journal, 9-19-06)

EPA Buys 100 Percent Green Power, Challenges Colleges to Follow. The U.S. Environmental Protection Agency (EPA) announced in late August that it is now buying renewable energy, or "green power," equivalent to 100 percent of its annual electricity needs. As of September 1st, the EPA is buying nearly 300 million kilowatt-hours of green power, which makes it the first federal agency to meet all of its electricity needs with renewable energy. The EPA's latest purchase of 100 million kilowatt-hours in renewable energy certificates was brokered by 3 Phases Energy Services and will support wind facilities in California, Oklahoma, South Dakota, and Wyoming. The EPA also runs the Green Power Partnership, which provides assistance and recognition to organizations that choose to buy green power. The EPA has set new rules for its Green Power Partnership, requiring members to buy 100 percent "new renewables" in meeting their goals. New renewable facilities are defined as those placed in service in 1997 or later, which is when the green power market took hold in the United States. ("EPA Buys 100 Percent Green Power, Challenges Colleges to Follow," EERE Network News, 9-13-06)

Oil prices rebound slightly, natural gas falls 5 percent. Oil prices rebounded slightly Thursday, while natural gas futures fell 5 percent after government data showed rising supplies of the home-heating fuel. The Energy Department said Thursday that domestic natural gas inventories increased by 93 billion cubic feet last week to 3.18 trillion cubic feet. It's a record level for this time of year and 12.5 percent above year ago levels. Natural gas supplies were ample — and prices were falling — heading into the summer because a warm winter last year sapped home-heating demand. The downward pressure on prices picked up as fears that hurricanes would disrupt Gulf of Mexico output never materialized. ("Oil prices rebound slightly, natural gas falls 5%," MSNBC, 9-21-06)

World Trade Center Complex Will Go for LEED® Gold Certification. The rebuilding of the World Trade Center is in many ways a memorial to those who lost their lives in the 2001 September 11 attacks and it is a tribute that these buildings will also be built to the highest green building standards. N.Y. Governor George Pataki announced that the Freedom Tower, World Trade Center Office Towers 2, 3, and 4, as well as the World Trade Center Memorial and Memorial Museum will all be designed to achieve the U.S. Green Building Council's (USGBC) LEED Gold certification requirements. This groundbreaking announcement was made five years after the devastating attacks and includes an entire package of energy and environmental measures that will be incorporated into the design of the World Trade Center redevelopment. Plans for the Freedom Tower and other facilities at the World Trade Center site will feature state-of-the-art energy technologies to better protect environmental resources, utilize renewable energy sources, and maximize energy efficiency. ("New York Announces Energy and Environmental Package World Trade Center Complex Will Go for LEED® Gold Certification," U.S. Green Building Council Press Release, 9-14-06)

Some hybrid tax credits set to expire. Tax incentives for environmentally concerned drivers shopping for certain energy-efficient hybrids will soon start disappearing. The Internal Revenue Service said yesterday its tax collectors have been told that Toyota Motor Corp. this summer hit the legal production limit, 60,000 vehicles, that Congress imposed on vehicles eligible for a tax credit. The announcement means that federal tax credits for Toyota and Lexus hybrid vehicles will be cut in half beginning in October, the IRS said. The \$3,150 credit for the popular Toyota Prius, the largest hybrid tax credit available, will shrink to \$1,575 on Oct. 1. ("Some hybrid tax credits set to expire," Herald-Leader, 9-21-06)

GM: Hydrogen cars will re-establish company. 'Going to make General Motors what it was in the '50s and '60s,' exec says Hydrogen fuel cell-powered vehicles could hit showrooms as early as 2011 and the technology will revitalize General Motors, GM Vice Chairman Bob Lutz said as he delivered a hydrogen concept car to be test driven by Camp Pendleton Marines over the next few months. Calling the effort a "moon shot," Lutz said it is vital the world's largest automaker commits to the new technology, so it can win back its reputation as an innovator and design leader. "This is to re-establish our technological credentials with the American public and the American media," Lutz said Thursday. "And it has a huge re-moralizing effect in the company as our people see how serious we are." ("GM: Hydrogen cars will re-establish company," MSNBC, 9-15-06)

These are media summaries. Please consult the source directly to ensure the accuracy of the information presented. Underlined titles are links to online articles in their entirety.



Kentucky Retail Fuel Prices (Dollars per gallon)

| Product | 09/20/06 | 09/13/06 | 09/06/06 | 08/30/06 | Year Ago |
|-----------------------|----------|----------|----------|----------|----------|
| Gasoline (State avg.) | 2.243 | 2.370 | 2.504 | 2.626 | 2.682 |
| Ashland | 2.349 | 2.450 | 2.556 | 2.698 | 2.776 |
| Covington | 2.228 | 2.424 | 2.570 | 2.669 | 2.740 |
| Lexington | 2.160 | 2.229 | 2.367 | 2.504 | 2.625 |
| Louisville | 2.215 | 2.337 | 2.467 | 2.601 | 2.657 |
| Owensboro | 2.185 | 2.307 | 2.519 | 2.570 | 2.622 |
| Diesel (State avg.) | 2.654 | 2.788 | 2.878 | 2.930 | 2.708 |
| Ashland | 2.725 | 2.808 | 2.896 | 2.912 | 2.759 |
| Covington | 2.659 | 2.805 | 2.921 | 2.954 | 2.718 |
| Lexington | 2.700 | 2.843 | 2.902 | 2.945 | 2.685 |
| Louisville | 2.695 | 2.845 | 2.910 | 2.945 | 2.670 |
| Owensboro | 2.648 | 2.790 | 2.911 | 2.905 | 2.766 |

Note: The record high average price for gasoline in Kentucky is \$3.049 and occurred on Sept. 3, 2005. **Source:** Gasoline (unleaded regular) & Diesel: National AAA, http://www.fuelgaugereport.com/KYavg.asp

Wholesale Fuel Prices

| Spot Prices | 09/19/06 | 09/13/06 | 09/06/06 | 08/30/06 | Year Ago |
|---------------------------------|----------|----------|----------|----------|----------|
| Crude Oil (Dollars per barrel) | 61.67 | 63.98 | 68.60 | 70.04 | 66.24 |
| West Texas Intermediate, fob | | | | | |
| Natural Gas (Dollars per MMBtu) | 4.990 | 5.420 | 5.485 | 6.390 | 12.64 |
| Henry-Hub | | | | | |

Source: Oilnergy.com

| Futures | | Oct-06 | Nov-06 | Dec-06 |
|---------------------------------|----------|--------|--------|--------|
| Crude Oil (Dollars per barrel) | 09/20/06 | - | 60.46 | 60.74 |
| Light Sweet Crude Oil | 09/13/06 | 63.97 | 64.98 | 65.99 |
| | 09/06/06 | 67.50 | 68.70 | 69.60 |
| Natural Gas (Dollars per MMBtu) | 09/20/06 | - | 4.931 | 6.022 |
| Henry-Hub | 09/13/06 | 5.449 | 7.084 | 8.679 |
| | 09/06/06 | 5.994 | 8.019 | 9.939 |
| Propane (Cents per gallon) | 09/20/06 | 97.00 | 97.50 | 98.00 |
| | 09/13/06 | 106.50 | 107.00 | 107.50 |
| | 09/06/06 | 110.25 | 111.25 | 112.25 |
| Coal (Dollars per ton) | 09/15/06 | 45.25 | - | - |
| Central Appalachian | 09/08/06 | 46.00 | - | - |
| | 09/01/06 | 47.00 | - | - |

Source: NYMEX closing price and EIA Coal Futures

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